

Developing a Coherent Strategy for Debt Profiling and Collection

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Oldham
Council

Oldham - most deprived borough in Greater Manchester (2021 census)

What your perception might be At the other end of the scale



Some Facts & Figures

REVENUES		
	CTAX	NDR
Taxbase	99,339	7,982
23/24 Net Debit	£133.67m	£53.21m
Arrears	£42.34m	£8.68M
Collection	94.18%	97.13%

BENEFITS		
Caseload		
HB	8155	
CTRS	20920	
DHP	£429K	64.78% *
Disc CTR	£572K	84.11% *
HBOP	£5.72m	4638

* Percentage allocated

SUNDRY DEBTS	
Total Value	£22.95m
Outstanding > 6 months	£1.97m
Outstanding > 12 months	£4.58m

Corporate Aims

“Every council service will be a good service, every experience for residents will be a good experience”

Oldham Council Corporate Plan 2022 - 2027

<u>Staff Behaviours</u>	<u>Income Maximisation</u>	<u>Residents First</u>
Working with a resident focus	A Partnership approach	Get things done
Support Local Leaders	Applying the fairness agenda	Be realistic, transparent and open
Committed to the borough	Supportive recovery action	Be measurable and accountable
Take ownership and drive change	All pay who can pay	Be accessible and inclusive
Deliver high performance	Proactive in tackling the level of outstanding arrears	Listen and learn

The Challenges

(In addition to the budget pressures)

Staff

- Legacy of outsourcing
- Vacant posts and agency
- Aging workforce
- Succession planning
- Them and Us culture
- Capacity and resilience
- Enforcement over engagement
- Not solutions focussed – debt rather than person
- Overwhelmed with work and demotivated

Residents

- Mounting debts
- Cost of living challenges
- Lack of trust
- Expectation of forbearance
- Defaulting to immediate complaints
- Lack of engagement and cooperation
- Not using digital channels
- Avoidable contact
- We don't know our customers

Systems

- Working on unsupported platforms
- Latest upgrades not installed
- Lack of reporting – no easy access to useful MI
- Lack of digital focus/planning
- Lack of automation
- Lack of investment in latest technology
- Products “sitting on the shelf”
- Website not user friendly

The Challenges

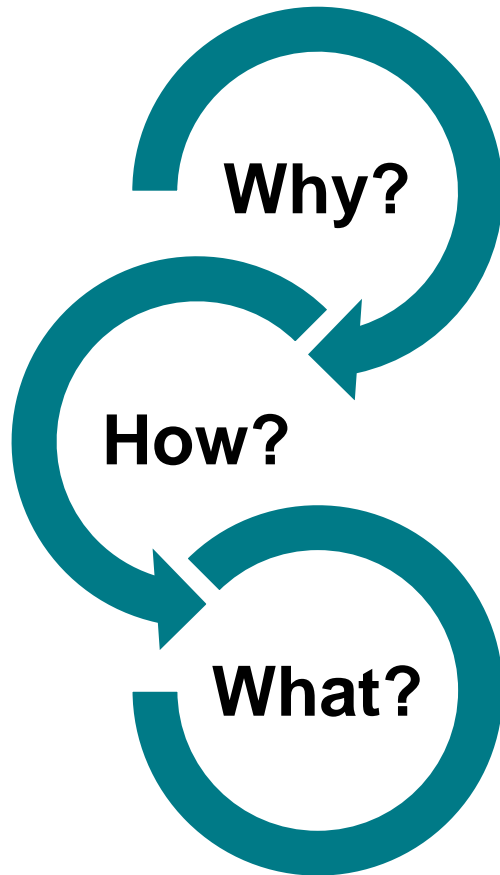


“You don’t need to see the whole staircase, just take the first step”

Martin Luther King Jr

So What Are We Doing to Improve?

“Strategy is a route – an adaptable path to get us where we want to go” – Simon Sinek



The Golden Circle

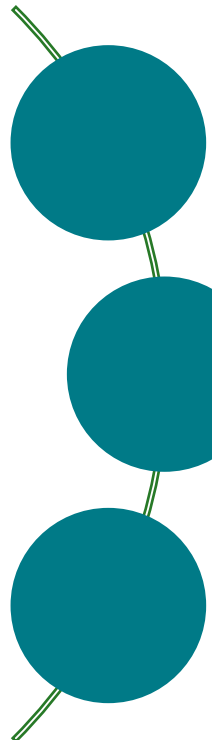
Why do you do what you do? What's the purpose?

How do you do what you do?

What do you do?

Building the Strategy

“Don’t let what you cannot do interfere with what you can do” – *John Wooden*

- 
- Clear out the clutter
 - Don’t chase the uncollectable
 - Utilise data analytics, AI & automation

Building the Strategy



Vulnerable customers



Affordability assessment



Data Collection



Engagement



Flexible payment plans



Data driven decisions



Segmentation



Review and adapt

Changing the Culture

Delivering a good resident experience is everyone's responsibility.

We are committed to not make someone's circumstances worse by the collection and recovery action we take at any stage of the process.

Supportive recovery action is not the enemy of effective collection.

“I’ve learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel.”

— Maya Angelou

Any Questions?